AVIVA ACQUIRES ADDITIONAL HIGHLY PROSPECTIVE GROUND IN WEST KENYA

Aviva Corporation Ltd (ASX:AVA, BSE:AVIVA) (“Aviva” or “the Company”) is pleased to announce that it has entered into an Option and Joint Venture Agreement (“Agreement”) with TSX.V listed Advance Gold Corporation (“Advance Gold”) and its wholly owned subsidiary Gold Rim Exploration Kenya Limited. Under the terms of the Agreement Aviva has the right to earn at least 75% equity in three highly prospective Special Licences in Western Kenya namely: SL265 Bukura, SL266 Sigalagala and SL267 Rosterman.

The three licences are excisions within Aviva’s existing West Kenyan Special Prospecting Licence SPL213 Siaya. They cover a total of 64km² and include Kenya’s largest historical gold mine, Rosterman, which is reported to have produced 250,000oz Au @ over 13g/t between 1932 and 1952.

This acquisition, together with Aviva’s Kimingini, Bushiangala, Isulu and Shigokho prospects provides Aviva with seven defined drill targets / historical mines in this corner of SPL213 Siaya that have not been drill tested for over 60 years.

Aviva’s CEO Lindsay Reed said “The acquisition of these Special Licences is a transaction we believe will add significant value for shareholders in time. We are thrilled to have secured the licences on mutually beneficial terms and are excited at the prospect of integrating these licences into our exploration program. The board and exploration team believe that future exploration activity can unveil a mineralized system extending at least ten kilometres from Bushiangala in the west to Kimingini in the east.

The key terms of the agreement are as follows:

Option Period

- Aviva will spend a minimum of $100,000 in ground on the 3 licences within the first 12 months.
- At the end of the initial 12 month period, Aviva will make a US$100,000 cash payment to Advance Gold to secure an option to earn up to 75% ownership of the three Special Licences.

Earn-in

- First Earn-in Period - Aviva can move to 51% ownership by spending a further US$0.5M on the three licences over a period of 12 months.
- Second Earn-in Period – Aviva can move to 75% ownership by sole funding activities with an additional US$1M over a further period of 24 months.
Election Period

- Once Aviva has reached 75%, Advanced Gold may elect to contribute or dilute to 10% after which Aviva may convert Advance Gold interests to a 3% net smelter royalty.

Under the terms of the existing earn-in and joint venture agreement with Lonmin these properties fall within the designated two kilometres area of interest and will be offered to the West Kenya joint venture after the First Earn-in hurdle has been cleared. The Option and Joint Venture Agreement is subject to final approval by the Commissioner of Mines and Geology of Kenya.

Background to the Three Special Licences

In addition to the considerable potential in and around the old mines, prospects and artisanal workings themselves, all three Special Licences lie along important regional structures that are interpreted to represent reactivated, inverted syn-sedimentary extensional faults on or close to the Kavirondian-Nyanzian unconformity. These structures, highlighted in Figure 1, are important target areas considered to have excellent potential to host significant gold deposits.

Figure 1. Tenure showing mineral occurrences, targets and simplified geology.
Recent diamond drilling by Aviva along the structural trend, at Kimingini and Bushiangala, has returned encouraging results which included visible gold in two of the holes drilled to date. Additional drill ready targets along the trend have now been identified at Isulu, Shigokho, Bukura and Sigalagala. Figure 2 shows anomalous stream sediment and soil geochemical data together with major structures and prospects on a reduced to pole magnetic image. The majority of gold-in-soil anomalies have never been drilled.

Figure 2. Stream sediment and soil geochemistry with major structures and prospects on reduced to pole magnetic image.

The three Special Licences comprise a total of ~64km² and were granted to Advance Gold’s wholly owned subsidiary Gold Rim Exploration Kenya Limited in October 2008 and renewed for a further 2 years in 2010.

SL267 Rosterman
This is the most northerly of the three licences and hosts the historic Rosterman mine, which is reported to have produced in excess of 250,000oz Au at in excess of 13g/t. Rosterman was subject to significant exploration activity during the mining period up until 1952 but since then very little exploration appears to have been done. The potential for residual ore, the discovery of further lodes and the value of selvedges to mined lodes justifies immediate further exploration activity.
In addition to the prospectivity of the mine and surrounding areas, the potential along strike is considered exceptional. Recent structural mapping has highlighted a major long lived structure on the northern flank of the Kakamega Dome combined with a number of occurrences of gold in stream anomalies that appear never to have been followed up.

Plate 1. Artisanal gold workings at Rosterman and gold in panned concentrate.

**SL265 Bukura and SL266 Sigalagala**
The southern licences, Bukura and Sigalagala, in addition to hosting numerous significant historical pre-independence mines and areas of active artisanal mining, lie along the prospective western portion of the Liranda lineament known as the Bushiangala-Shitole segment. Kimingini, Bushiangala, Isulu and Shigokho all lie in close proximity to the mapped and interpreted structure. Sigalagala appears to lie on a different structure to the north of the main Liranda lineament.

Once again very little work has been completed since the 1950’s. The Bukura Gold and Sigalagala pre-independence workings represent walk up drill targets. Stream sediment anomalies on the Bukura licence require follow-up as do soil anomalies on the Sigalagala licence.

**Proposed Work Program**

Data collection, collation and interpretation will be undertaken upon completion of due diligence. This will be followed by ground truthing and geological mapping.

Soil/auger geochemical sampling will be undertaken to further define existing geochemical anomalies and to test strike potential, geological, structural and conceptual targets.

Drill ready targets are present within the newly acquired Special Licences exist at the Rosterman, Bukura and Sigalagala. These will be drill tested when the diamond drill rig becomes available post Phase 2 Bumbo drilling on the wider Aviva-Lonmin Joint Venture. The Company expects that drilling on these newly acquired licences will take place in Q3/Q4 2011.
About Aviva

Aviva Corporation Limited is a resource development company listed on the Australian Stock Exchange (ASX: AVA) and the Botswana Stock Exchange, with its head office in Perth. The company is well funded, and is developing a pipeline of energy and metal projects both in Africa and Australia. Aviva’s strategy is to identify and develop early resource opportunities which are well located to demand and infrastructure. The Aviva management team has strong resource and capital market expertise, with proven expertise in the delivery, generation, exploration, approval and development of resource projects.

In Africa, the company is exploring for gold and base metals, at its West Kenyan joint venture project with Lonmin Plc. Aviva also has an interest in two coal-based energy assets – the Mmamantswe project in Botswana, and the Coolimba project in Western Australia.

For more information, please visit our website: avivacorp.com.au or contact us:

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COMPETENT PERSONS’ STATEMENTS

Exploration results
The information relating to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled and reviewed by Mr. Glen Edwards, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Edwards is a consultant to the company and has more than 25 years’ experience as a geologist, of which the last 15 have included exploration and mineral resource estimation for a variety of deposits throughout the world. This experience is more than adequate to qualify him as a Competent Person for the purposes of the 2004 Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code). Mr. Glen Edwards consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC—Exploration Targets
It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information relating to exploration targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) or Reserve(s) have not been used in this context. The potential quantity and grade is conceptual in nature, since there has been insufficient work completed to define them beyond exploration targets and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Forward-Looking Statements
This document may include forward-looking statements. Forward-looking statements include, but are not necessarily limited to, statements concerning Aviva Corporation Limited’s planned exploration program and other statements that are not historic facts. When used in this document, the words such as "could", “plan”, “estimate” “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward-looking statements. Although Aviva Corporation Limited believes that its expectations reflected in these are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.